

## PRESS RELEASE

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## AGRANA builds a wheat starch plant at its Pischelsdorf facility – investment volume € 56 m

Sustainable use of synergies with existing bioethanol plant

Over the next two years, AGRANA Bioethanol GmbH will be investing around € 56 m in building a starch factory for the production of wheat starch and gluten at the site of its bioethanol plant in Pischelsdorf|Lower Austria. The facility will start operations at the end of 2013 and boost the workforce at the Pischelsdorf site from the current level of around 80 to 120.

The plan is for the new facility to process around 250,000 tonnes of wheat to make 107,000 tonnes of wheat starch and 23,500 tonnes of wheat gluten as well as 55,000 tonnes of wheat bran. The wheat starch produced at the plant will largely be employed in technical applications (e.g. in the paper industry). Wheat gluten is used in the baking sector. It is also used in pet food for cats and dogs. The bran produced serves as animal feed. Through its production of wheat starch, AGRANA, which has specialised in the production of corn and potato starch, will be offering customers an additional starch product and thereby rounding off its product range in the starch segment.

The construction of the new wheat starch facility at the site of the existing bioethanol plant will generate important synergies given that raw material constituents unused in the production of wheat starch and gluten can be used in the production of bioethanol and the high quality, GMO-free, protein-rich, animal feed Actiprot.

## Positive green-house gas and energy balance of bioethanol production

Over the course of its entire lifecycle, from planting and fertilising the crop, transport, processing until its use as a fuel in engines, AGRANA bioethanol reduces emissions of greenhouse gases compared to petrol by around 50%. As such, AGRANA bioethanol already complies with the minimum requirements of the EU from 2017 in terms of the reduction in green-house gas emissions from biogenic fuels compared to fossil fuels. At 1:3, i.e. every unit of energy used produces three energy units of output, the energy balance of the bioethanol produced in Lower Austria is very positive. In conjunction with the  $\rm CO_2$  recovery plant currently under construction in Pischelsdorf, which will be used mainly in the production of biogenic carbonic acid for the beverages industry, representing a classic example of CCU (carbon capturing for use), the new wheat starch plant is an additional step in the direction of the optimal and sustainable processing of agrarian raw materials.

"This multi-phase processing of agricultural raw materials is an example of how AGRANA actually puts the underlying principle of closed-cycle economics into practice on a daily basis as far as is possible", says Johann Marihart, CEO of AGRANA Beteiligungs-AG.

## **About AGRANA**

AGRANA is the foremost sugar company in Central and Eastern Europe. It is the leading supplier of specialised starch products in Europe, as well as being the largest producer of bioethanol in Austria and Hungary. In its fruit segment, AGRANA is the top global producer of fruit preparations for the dairy industry and one of the leading producers of fruit juice concentrates in Europe. In its 2009|10 business year, AGRANA recorded revenues of approximately EUR two billion. AGRANA employs around 8,000 personnel at 52 facilities in 25 countries around the world.

According to the environmental impact assessment of its Pischelsdorf site, AGRANA Bioethanol GmbH can process up to 620,000 tonnes of cereals (mostly wheat and corn) grown regionally to produce up to 240,000 m³ of bioethanol and up to 190,000 tonnes of the high quality, GMO-free, protein-rich, animal feed ActiProt.

This press release is available in German and English at <a href="www.agrana.com">www.agrana.com</a>.